

V I R G I N I A: No. 3, Pocahontas No. 1, and other associated formations )  
BEFORE THE OIL AND GAS CONSERVATION BOARD underlying the lands described in the )  
IN RE: attached hereto and made a part hereof as Exhibit A and to appropriate )  
ORDER ESTABLISHING DRILLING UNITS FOR THE available data shows that the "Nora )  
NORA COAL BED GAS FIELD IN DICKENSON, )  
WISE, RUSSELL & BUCHANAN COUNTIES, VIRGINIA and in Dickenson, Wise, Russell )

and Buchanan Counties, Virginia is ORDER common accumulation of oil and gas.

being This cause came on this 26th day of January, 1989, for hearing upon the application of Equitable Resources Exploration, Inc. requesting creation of field production rules, including well spacing and drilling unit size, in the "Nora Coalbed Gas Field" of Dickenson, Wise, Russell and Buchanan Counties, Virginia. A hearing in this matter was held in the Dickenson County Public Library in Clintwood, Virginia. Notice of the proposed hearing and of the filing of the application by Equitable Resources Exploration, Inc. stating the time, date and place of hearing was duly and properly given as required by law and the Rules of the Board. The Board has examined the Notices of Publication, the Publisher's Affidavit of Publication and the Affidavit of Mailing and further conducted an inquiry into the sufficiency of Equitable Resources Exploration, Inc.'s search to determine the names and whereabouts of persons required to be served. Based upon the evidence, the Board finds that the applicant has exercised due diligence and conducted a meaningful search of reasonably available sources and hereby approves the service by publication as meeting statutory requirements, Rules of the Board and the minimum standards of State and Federal due process.

Wise It appearing to this Board that the applicant, Equitable Resources Exploration, Inc., is an owner of the right to develop and produce oil and gas from the coalbed known as Raven, Jawbone, Upper Horsepen, Middle Horsepen, Warcreek, Beckley, Lower Horsepen, Pocahontas No. 8, Pocahontas

No. 4, Pocahontas No. 3, Pocahontas No. 1, and other associated formations known as the "Nora Coalbed Gas Field" underlying the lands described in the map attached hereto and made a part hereof as Exhibit A and to appropriate the oil and gas produced therefrom. Available data shows that the "Nora Coalbed Gas Field" formations underlying lands in Dickenson, Wise, Russell and Buchanan Counties, Virginia is a common accumulation of oil and gas, being predominately gas productive, separate and distinct from and not in communication with any other common accumulation of oil and gas. It further appearing from the evidence presented that wells developed in the lands involved in this petition predominately produce gas from the "Nora Coalbed Gas Field" and will efficiently and economically drain a maximum area approximately 400-500 feet from the well bore. Based upon this evidence presented, including testimony with respect to surface topography, property lines of the lands underlain by the "Nora Coalbed Gas Field", applicant's proposed plan of well spacing that has been employed in the pool, the depths at which production from the pool has been found, the nature and character of the pool, the maximum area which may be efficiently and economically drained by one well, the Board is of the opinion that establishment of permanent drilling regulations and establishment of unit sizes is necessary to prevent waste of oil and gas, to avoid the drilling of unnecessary wells and to protect the correlative rights of property owners, it is therefore ORDERED as follows:

1. For all wells drilled in the "Nora Coalbed Gas Field" in Dickenson, Wise, Russell and Buchanan Counties, Virginia, which are designed to explore and/or produce from the coalbed gas from Raven, Jawbone, Upper Horsepen, Middle Horsepen, Warcreek Beckley, Lower Horsepen, Pocahontas No. 8, Pocahontas No. 4, Pocahontas No. 3, Pocahontas No. 1 coal seams and other

associated formations known as the "Nora Coalbed Gas Field", a 60.0 acre drilling unit with a tolerance of 15 percent (15%) is hereby established, except as otherwise created by any emergency order of the Virginia Oil and Gas Inspector as provided by Section 45.1-293(B)(2) of the Code of Virginia, and to the extent reasonably possible, is of uniform size and shape for the entire "Nora Coalbed Gas Field", taking into consideration topography and property lines of the lands underlain by the "Nora Coalbed Gas Field".

2. Any well drilled in such 60.0 acre drilling unit with a tolerance of 15 percent (15%) shall not be located at any point within such unit less than 300 feet from the outside boundary of such unit.

3. Except as provided by law, any emergency field rules issued by the Virginia Oil and Gas Inspector, Rules of the Board and any exception granted by the Board after Notice and hearing, no more than one well shall be hereafter produced from the "Nora Coalbed Gas Field" in any drilling unit formed by this Order. Any well hereafter drilled within such drilling unit shall be located as described in this Order unless, after proper Notice and hearing, exception thereto has been granted by the Board after proper Notice and hearing.

4. In no event shall any of the wells drilled to the "Nora Coalbed Gas Field" be located closer than 600 feet to any other well completed or permitted in the same pool.

5. In the event that there are two or more separately owned tracts embraced within any drilling unit formed by this Order, any well hereafter drilled in such drilling unit shall be located pursuant to the provisions of



this Order unless an exception thereto has been granted by the Board after proper Notice and hearing.

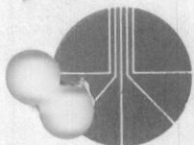
OIL AND GAS CONSERVATION BOARD

Benny R. Wampler  
CHAIRMAN

Done and performed this 20<sup>th</sup> day of March, 1989

by Order of the Board.

Byron J. Lufkin  
Principal Executive to the Staff,  
Oil and Gas Conservation Board



# EQUITABLE RESOURCES EXPLORATION

A Division of EQUITABLE RESOURCES ENERGY COMPANY

1989 East Stone Drive  
P. O. Box 1983  
Kingsport, TN 37662-1983  
(615) 378-5101

July 10, 1992



## VIA HAND DELIVERY

Byron T. Fulmer, Director  
Department of Mines, Minerals & Energy  
Division of Gas and Oil  
P.O. Box 1416  
Abingdon, VA 24210

Re: Field Rules for the Nora Coalbed Methane Gas Field  
Order No. CB-9-89 Dated March 20, 1989

Dear Tom:

Pursuant to your request to Ben T. Whitefield for information on EREX's Nora Coalbed Methane Gas Field, Lee Talbott has been working with the Division of Gas and Oil to develop maps indicating the extent of the Field, and also showing the interface area with the Oakwood Coalbed Methane Gas Field. As a result of these efforts, please find enclosed herewith the following two (2) mylar prints of EREX's Nora Coalbed Methane Gas Field:

1. 1" = 4000' topographic map with 60 Acre grid units, indicating the extent of the Field, and including county lines, quad tick identifiers, and coordinate identifiers (alphabetical rows and numerical columns).
2. 1" = 2000' topographic map showing the interface area of EREX's Nora Coalbed Methane Gas Field, with 60 Acre units, and OXY USA Inc.'s Oakwood Coalbed Methane Gas Field, with 80 Acre units.

In response to your other inquiries, please be advised as follows:

### 1. STARTING POINTS OF UNITS

There are two (2) starting points of the units in the Nora Coalbed Methane Gas Field which are described in Order No. CB-9-89 dated March 20, 1989, being the units for EREX Well Nos. PC-1 and PC-101. These 60 acre units have definitive surveys, and all other units in the Field have been developed from these surveyed units as shown on the grid. The Nora Coalbed Methane Gas Field units are based on the Clinchfield Coal Company Coordinate System which can be converted to the Virginia State Plane Coordinate System.



Mr. Byron T. Fulmer  
July 10, 1992  
Page 2

2. SCOPE OF FIELD

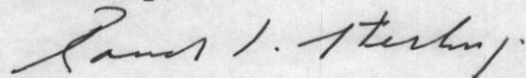
Please see the enclosed 1" = 4000' map describing the scope and boundaries of the Nora Coalbed Methane Gas Field, and which depicts each individual 60 Acre unit of the grid within the boundary of the Field. The original extent of the Nora Coalbed Methane Gas Field is defined in the referenced Order as follows: Northern Boundary - 37° 20' 00"; Southern Boundary - 36° 55' 00"; Eastern Boundary - 82° 00' 00"; Western Boundary - 82° 35' 00".

However, the Nora Coalbed Methane Gas Field boundary was amended, as shown on the 1" = 4000' map, when the Virginia Gas and Oil Board approved OXY USA, Inc.'s Oakwood Coalbed Methane Gas Field. As a result, Vansant Quad and a portion of Grundy Quad, Buchanan County, were excluded from the boundary of EREX's Nora Coalbed Methane Gas Field.

A view of the interface area between EREX's Nora Coalbed Methane Gas Field and OXY's Oakwood Coalbed Methane Gas Field on the 1" = 2000' map has been reduced and is attached for quick reference. Adjustment units will probably need to be addressed in the vicinity of the interface area when justified by development.

Please advise if you should have any comments or questions. Thank you very much for your assistance.

Sincerely,

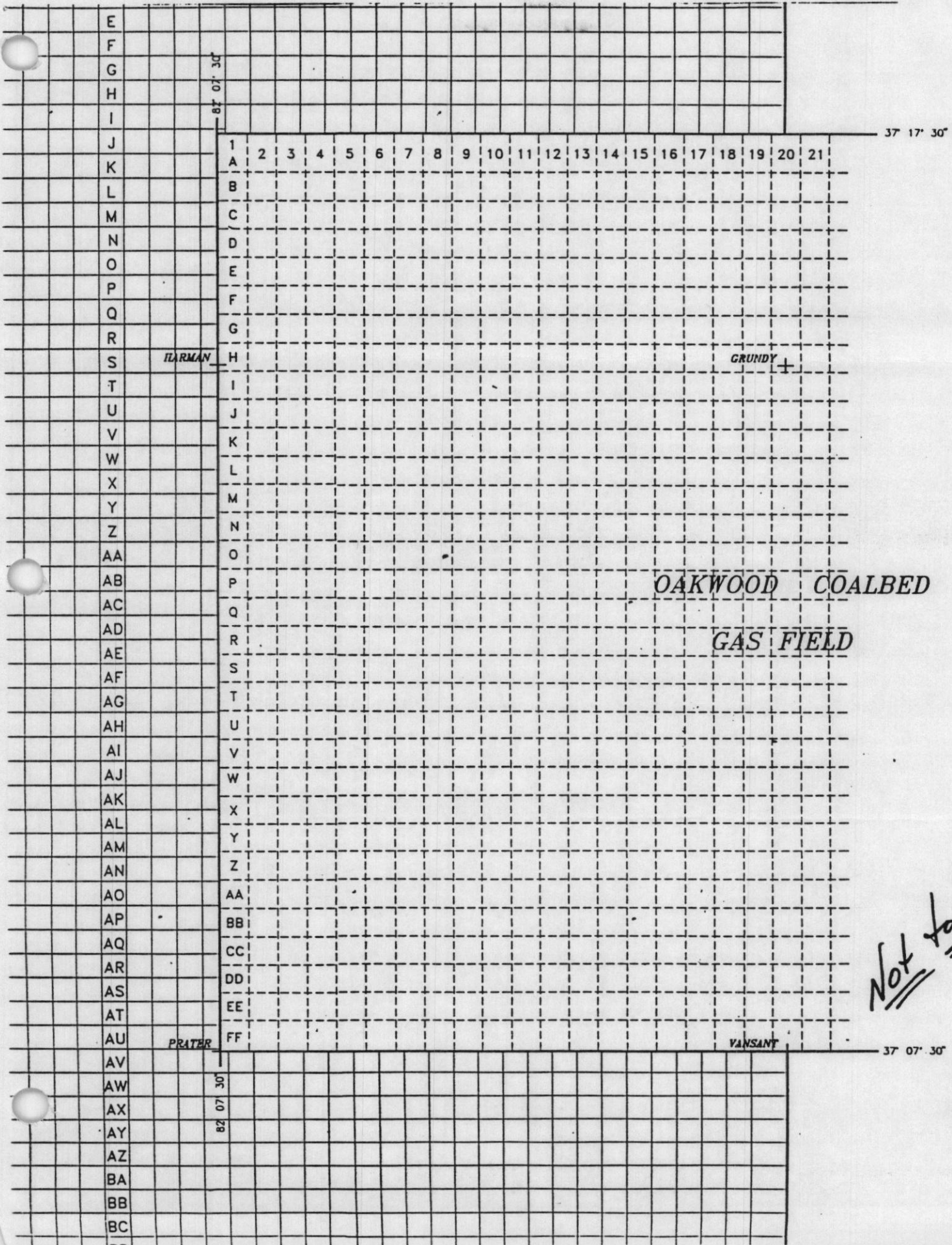


Rand E. Sterling  
Senior Attorney

RES/rs

Enclosures: 3

cc: Richard A. Counts, Esq.  
B.T. Whitefield  
B.L. Wolcott  
T.J. O'Neill  
A.G. Mason, Jr.  
J.A. Bibby, III  
J.A. Awney  
A.L. Talbott  
(w/reduced interface map only)



Not to Scale